

**DECISION OF THE JOINT COMMITTEE OF THE CENTRAL
EUROPEAN FREE TRADE AGREEMENT, CEFTA 2006**

Decision No 2/2015

Adopted on 26 November 2015

on the Amendment to Decision No 5/2014

The Joint Committee,

Having regard to the Agreement on Amendment of and Accession to the Central European Free Trade Agreement done in Bucharest on 19 December 2006, CEFTA 2006 and the Decision No 4/2014 on the Establishment of the Sub-Committee on Trade in Services;

With the objective to ensure the smooth implementation of the commitments undertaken in Chapter VI A on Services and with the goal of enhancing the intraregional trade in services;

Recognising the growing importance of services for our economies and the need to enhance and strengthen trade in services within CEFTA;

With the objective to restructure the relevant CEFTA Structures to respond to new priorities related to the implementation of CEFTA 2006

Has decided to amend Decision 5/2014

Article 1

In Paragraph 2, after indent (ii), a new indent (iii) shall be inserted and which shall read:

“(iii) Joint Working Group on Mutual Recognition of Professional Qualifications

Objective: Deepen the cooperation between CEFTA Subcommittee on Trade in Services, Education Reform Initiative of South Eastern Europe (ERISEE) and RCC Social Agenda Working Group (SAWG) in the area labour mobility, building on the mandates and previous activities of each structure. The Working Group will aim at enhancing the intraregional

trade in services by facilitating recognition of professional qualifications with a view of encouraging overall labor mobility.”

Article 2

Annex 2 to the Decision No 5/2014 shall be replaced by the new Annex 2, which is attached to this Decision.

Article 3

After Annex 2 a new Annex 3 shall be added and which is attached to this Decision.

This decision was adopted by all CEFTA Parties in the presence of their representatives.

Article 4

This decision enters into force on the date of its adoption.

Adopted in Chisinau on 26 November 2015.

Annex 1

Terms of Reference for the Working Group on Trade in Services Statistics, FATS and FDI Statistics

1. TITLE

The title of the Working Group will be "CEFTA Working Group on Trade in Services Statistics, FATS and FDI Statistics".

2. TASK

The task of the Working Group on Trade in Services Statistics, FATS and FDI Statistics (hereinafter referred to as Group) is to improve the quality of international trade in services statistics across the CEFTA Region and harmonise statistics with those of the European Union.

3. MEMBERSHIP

3.1. The members of the Working Group are civil servants and representatives from central banks from CEFTA Parties responsible for dealing with these issues in respective administrations

3.2. The representative from each Party shall actively participate in performing the tasks and functions of this Group.

3.3. Internal or external persons may be invited to attend the meetings at the request of the Chair of the Working Group to provide advice or introduce the best practice where needed. They can be asked to leave the meeting at any time by the Chair.

3.4. The Working Group will make recommendations by consensus of all members. If a member is absent from the meeting he/she should communicate its position in writing within the period of not longer than 20 working days from the date of a receipt of a request. If position is not communicated within the set period, it shall be deemed that the member concerned has no objection and agrees to proceed further.

3.5. The member of the Working Group will cease to be a member if:

- He/she resigns from employment in the government;
- He/she fails to attend 3 consecutive meetings without providing apologies to the Chair and securing an appropriate replacement,
- On their own request.

3.6. In cases referred to above, the CEFTA Party concerned shall nominate new member within one month and notify the Chair.

4. CHAIRMANSHIP

4.1. The Party currently acting as Chair-in-Office shall chair the Working Group.

4.2. The responsibilities of Chair include:

- Scheduling meetings and notifying the members;
- Inviting specialist to attend the meetings when required by members;
- Guiding the meetings and other activities during chairing;
- Ensuring all discussion items end with a decision, action or definite outcome.

5. MINUTES TAKING

Representative of the CEFTA Secretariat will take notes and draft minutes of the meetings of the Working Group within 10 working days from the day of the meeting. Recipients of the meeting minutes/conclusions will have 5 working days to submit comments; if no comments are submitted, the minutes will be considered final.

6. MEETINGS

The Working Group shall meet as necessary but at least once per year.

7. FUNCTION

7.1. Main functions of the Group are (but not limited) to:

i). Review the quality and coverage of available trade in services statistics, FATS and FDI statistics in the region and propose appropriate solutions for improvements;

ii). Work on harmonising the principles of recording and measuring data related to trade in services according to the EU

iii). Identify priorities for further developing statistics for commonly agreed sectors;

iv). Provide necessary data in order to set up an operational reporting system to the Secretariat

v). Assist the Secretariat in creating sustainable platform for dissemination of statistical data on trade in services, FATS and FDI statistics;

vi). Identify needs of users of statistics for purposes of analysis and communicate it to the relevant compilers authorities;

vii). Set up a forum for exchange of experiences and needs between compilers of data and users of statistics;

viii). Identify needs in terms of further targeted technical assistance and undertake the regional trainings and exchange of best practices in order to improve the quality and uniformity of trade in statistics across the region.

8. ACCOUNTABILITY AND REPORTING

The Working Group shall report to the Sub-Committee on Trade in Services on progress achieved.

Annex 2

Joint Working Group on Mutual Recognition of Professional Qualifications Terms of Reference

1. Introduction

In accordance with the goals and priorities stipulated by the SEE 2020 Strategy (hereinafter: SEE 2020), endorsed by the Ministers of SEE Economies on 21 November 2013 in Sarajevo:

- reducing the restrictiveness of free trade in services and facilitating the free movement of experts, professionals and skilled labour (Free Trade Area dimension of the SEE 2020 Integrated Growth Pillar);
- increasing equitable access to, and participation in, high quality education at all levels, aligned with measures for a smooth recognition of qualifications supporting mobility in SEE (Education and Competences dimension of the Smart Growth Pillar);
- enhancing labor mobility in the region (Employment dimension of the Inclusive Growth pillar);

and in light of the multi-dimensional approach required to achieve the recognition of professional qualifications and the movement of labour, a need has emerged to interlink the work of three SEE 2020 Dimension Coordinators – Central European Free Trade Agreement Structures (CEFTA), Education Reform Initiative of South Eastern Europe (ERISEE) and the Social Agenda Working Group (SAWG), which operates under the auspices of the Regional Cooperation Council (RCC).

In accordance with:

- the commitments spelled out in Articles 26-29 of the CEFTA 2006 Agreement, and in particular on achieving the progressive liberalization in trade in services and gradual opening of services markets across the CEFTA region by reducing the barriers in temporary movement of natural persons (GATS Mode 4),
- the work of ERISEE towards building the National Qualifications Frameworks and removing obstacles to recognition of qualifications through the work of the Regional SEE Working Group on Recognition of Qualifications,
- the roadmap for facilitating labor mobility in the context of the SEE 2020 Strategy, which has been consulted in the working meetings

of the SAWG,

joining capacities of the existing CEFTA, ERISEE and SAWG would be an important added value to the implementation of the SEE 2020. Hence, the RCC Secretariat, representing the SAWG, CEFTA Subcommittee on Trade in Services and ERISEE are hereby proposing a formation of a Joint Working Group on Mutual Recognition of Professional Qualifications (WGMRPQ) of the CEFTA, ERISEE and SAWG, under the auspices of RCC.

2. Justification

The free movement of people, goods, services and capital are founding principles of the EU. The SEE 2020 Strategy, inspired by Europe 2020, aims to promote employment creation, the free flow of skilled labour and ensure education better meets economic and labour market needs. Enhancing economic integration remains one of the underlying principles of the strategy. Increased labour mobility can contribute to improved competitiveness and reduced skills mismatches in the region and the establishment of a single economic space.

Ensuring a comprehensive approach to the recognition of professional qualification as a cornerstone to labour mobility will require coordinated actions by institutions in charge of education, labour and trade. The SEE 2020 Strategy provides the platform for engaging these institutions at the regional level in productive discussions and joint work towards achieving this goal and the RCC as the umbrella institution which can coordinate this work.

3. Objectives

The joint WGRPQ will broaden and deepen the cooperation between CEFTA Subcommittee on Trade in Services, ERISEE and SAWG in the area labour mobility, building on the mandates and previous activities of each structure. It will operate as a standing Working Group, assisting in the achievement of SEE 2020 goals. The emphasis of its activities will be on coordinating relevant aspects of labour mobility in order to:

- Enhance the intraregional trade in services by reducing and eliminating the barriers on free movement of experts and professionals across the region. The non-recognized qualifications in a number of professions are seen as impediments to the free temporary movement of natural persons within the context of GATS on which rules CEFTA relies, thus having negative impact on

- boosting the trade amongst CEFTA Parties;
- Facilitate recognition of professional qualifications in CEFTA Parties in the priority sectors defined by the JWGMPRQ;
- Encourage overall labour mobility, as one of the priorities of the SEE 2020 Strategy and a contributor to job creation, better matching of skills with labor market needs and increased productivity.

The JWGMRPO will work on (1) developing processes for recognition of professional qualifications in selected professions of mutual interest, (2) exploring the potential for conclusion of mutual recognition agreements (MRAs), (3) enhancing transparency of national and regional arrangements on recognition of professional qualifications and (4) enhancing regional data exchange on the mobility of professionals and future skills needs in selected professions.

4. Composition and Structure

Joint WGMRPO will be operating under the auspices of the RCC in close collaboration with the CEFTA Secretariat, ERISEE secretariat and the members of the SAWG, and will consist of one government official represented in the three structures, respectively CEFTA Subcommittee on Trade in Services, ERISEE and SAWG or their representatives. Once the decision is reached on opening negotiations on MRAs the participating governments will be asked to appoint representatives with a mandate to negotiate. Participants will include representatives of SEE economies, which have adopted the SEE 2020 Strategy¹. The CEFTA, ERISEE and RCC Secretariats will do their utmost to ensure full participation of the SEE 2020 beneficiary economies in the Joint WGMRPO.

Other participants, such as ERISEE Members and CEFTA Signatories that are not encompassed by the SEE 2020², will be invited to the meetings as full members.

European Commission, ETF, donors, experts from professional groups, civil society representatives, and other relevant stakeholders may be invited as deemed appropriate by the members of the working group.

1 SEE2020 strategy was adopted in November 2013 by Albania, Bosnia and Hercegovina, Croatia, Kosovo*, Montenegro, The Former Yugoslav Republic of Macedonia, Serbia. * This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and ICJ Opinion on the Kosovo declaration of independence.

2 Moldova (SEEIC member, ERI SEE member and CEFTA signatory)

The role of Croatia³ in the joint WGRPQ will be consultative. Croatia, having an extensive experience and profound understanding of both, transposing and implementing EU legislation on regulated professions and recognition of professional qualifications, has been invited to share experience and provide advice in this respect to the CEFTA Parties. In addition, Croatia is leading a regional SEE Working Group on Recognition of Education Qualifications dealing with access to the non-regulated labour market. The work of these two working groups needs to be coordinated and inspired by the same vision for a more strengthened regional cooperation and cross-border mobility of workers, as well as to promote employment possibilities and ensure labour market needs and education harmonization. Croatia will have one member in the JWGRPQ, alternating between the representative of the Ministry of Science, Education and Sports and the representative of the Ministry of Labour and Pension System. Therefore, the role of Croatia is limited to providing advice on the issues arising from the EU Directive in the field of recognition of professional qualifications and, in principle, excluded from exploring the potential of mutual agreements on recognition of professional qualifications.

5. Mandate

The Joint WGRPQ should agree upon and roll out a two year work programme for coordinated regional actions in the area of mutual recognition of professional qualifications, as a key component of free movement of persons. Whenever needed and possible, external expertise should be used to inform and assist the process.

The main areas of Joint WGRPQ's involvement will include, but will not be limited to:

(i) Developing processes for recognition of professional qualification:

- Identify sectors and professions of mutual interest where the potential agreements on mutual recognition might be concluded;
- Identify roles and responsibilities of the relevant authorities in the recognition of professional qualifications;
- Review existing legislative and institutional framework on the recognition of professional qualifications related to granting recognition of professional qualifications and experience across the region;

³ Croatia is not party to CEFTA agreement but it has adopted the SEE2020 strategy before the country entered the EU in July 2013.

- Exchange experiences and good practices in the recognition of professional qualifications.

(ii) Exploring potentials for conclusion of mutual recognition agreements (MRAs):

- Investigate possibilities for automatic recognition of professional qualifications of mutual interest;
- Estimate the potential impact of the mutual recognition agreements (MRAs) on SEE economies from the perspective of trade in services and labour market;
- Develop guidelines for negotiation and conclusion of agreements on mutual recognition of professional qualifications in selected sectors and professions within sectors;
- Administer potential negotiations and finalize the text of the draft MRA.

(iii) Enhance transparency of national and regional arrangements on recognition of professional qualifications

- Create conditions to establish joint online platform with national and regional arrangements on recognition of professional qualifications to enhance transparency of regulative frameworks;
- Develop mechanisms to monitor the implementation of MRAs;
- Promote achievements of the recognition of professional qualifications to main stakeholders and wider audience.

(iv) Regional data exchange on the mobility of professionals and future skills needs in selected professions

- Identify relevant data and enable data exchange on the mobility of professionals;
- Create conditions to establish and maintain a regional statistical database on mobility of professionals in SEE and information on labour market opportunities.

6. Meeting Procedures

- The RCC on behalf of the SAWG, the CEFTA Secretariat on behalf of CEFTA representatives, and ERISSE Secretariat on behalf of ERISSE representatives will provide primary oversight of Joint WGRPQ to ensure it contributes to the achievement of relevant SEE 2020 objectives.

- The Joint WGRPQ will be chaired by the RCC Secretariat.

- The RCC Secretariat in close collaboration with the CEFTA Secretariat and ERISSE secretariat will prepare the meeting agendas and discussion items and deliver the meeting materials to the participants at least 10 working days prior to the meeting.
- The RCC Secretariat in close collaboration with the CEFTA Secretariat and ERISSE secretariat schedule and convene the meetings with written notification to the participants, at least 15 working days prior to the scheduled meeting.
- RCC will conduct and conclude the meetings, ensuring that discussion items end with a proposal for decision, outcome, or specific action.
- RCC will prepare meeting minutes/conclusions that will be distributed to the Joint WGRPQ members, within 10 working days from the day of the meeting. Recipients of the meeting minutes/conclusions will have 5 working days to submit comments; if no comments are submitted, the minutes will be considered final.
- The Joint WGRPQ will meet at least two times per year in plenary form, with the possibility of meeting more frequently in its full form, or in independent meetings as the circumstances require.
- Additional meetings may take place in plenary and/or specialized form, upon initiation by the Chair and/or working group members to the Chair in writing at least 15 days prior to the date of proposed meeting.
- Location of the Joint WGRPQ meetings will be determined by the Chair for each meeting individually, based on specific logistic and/or subject matter considerations.
- English will be the official working language of the Joint WGRPQ.
- Results, findings, proposals and recommendations of the Joint WGRPQ will be presented and proposed to the participating economies at the plenary sessions of CEFTA, ERISSE and SAWG for official endorsement, and in other forms agreed upon by the members.
- Joint WGRPQ may invite external partners, i.e. private sector representatives, international and regional initiatives, representatives of professional groups and associations, and other committed donors and relevant institutions to attend its meetings as necessary; external partners

will be invited to add value and provide advice to the work of the Joint WGRPQ where deemed needed, without the authority of decision making.

- Recommendations and proposals of the Joint WGRPQ will be made by consensus of all members. If the member is absent from the meeting, he/she will communicate its position in writing within the period of not longer than 15 working days from the date of a receipt of a request. If position is not communicated within the set period, it shall be deemed that the member concerned has no objection and is in agreement to proceed further.

7. Remarks

This Terms of Reference on the Joint Working Group on Recognition of Professional Qualifications is subject to changes and modifications as per consensus among the representatives of CEFTA, ERISEE and SAWG.

Annex to the Terms of Reference: SEE 2020 Strategy